

# FINAL AUDIT REPORT

February 3, 2010

Councilmember Carl DeMaio  
Reform City Hall with Carl DeMaio  
202 “C” Street, MS # 10A  
San Diego, CA 92101

Treasurer: Nancy R. Haley  
Scott & Cronin, LLP  
330 Encinitas Blvd., Suite 101  
Encinitas, CA 92024-8705

## **SAN DIEGO ETHICS COMMISSION AUDIT REPORT: *Reform City Hall with Carl DeMaio***

### **I. Introduction**

This Audit Report contains information pertaining to the audit of the committee, Reform City Hall with Carl DeMaio, Identification Number 1297980 (“the Committee”) for the period from May 17, 2007, through June 30, 2009. The Committee was selected for audit by a designee of the City Clerk in a random drawing conducted at a public meeting of the Ethics Commission held on September 10, 2009. The audit was conducted to determine whether the Committee materially complied with the requirements and prohibitions imposed by the City of San Diego’s Election Campaign Control Ordinance (San Diego Municipal Code Chapter 2, Article 7, Division 29).

During the period covered by the audit, the Committee reported total contributions of \$432,184.67 (inclusive of \$3,511.73 in non-monetary contributions) and total expenditures of \$377,596.61. The monetary difference of \$51,076.33 reflects the available cash on hand. **The audit revealed no material findings. The committee substantially complied with the disclosure and record-keeping provisions of the San Diego Election Campaign Control Ordinance.**

### **II. Committee Information**

On May 17, 2007, the Committee filed an initial Statement of Organization with the San Diego City Clerk indicating that it had not yet qualified as a committee. On June 11, 2007, the Committee filed an amended Statement of Organization indicating that it qualified as a committee on June 6, 2007. The

Committee was formed to support the election of Carl DeMaio for Council District 5 in the June 3, 2008, primary election. On March 11, 2009, the Committee filed an amended Statement of Organization indicating that the Committee had changed its name to "Carl DeMaio for City Council 2012". The Committee has not terminated. The Committee's treasurer is Nancy R. Haley of Scott & Cronin, LLP.

### III. Audit Authority

The Commission is mandated by San Diego Municipal Code section 26.0414 to audit campaign statements and other relevant documents to determine whether campaign committees comply with applicable requirements and prohibitions imposed by local law.

### IV. Audit Scope and Procedures

This audit was performed in accordance with generally accepted auditing standards. The audit involved a thorough review of the Committee's records for the time period covered by the audit. This review was conducted to determine:

1. Compliance with all disclosure requirements, pertaining to contributions, expenditures, accrued expenditures, and loans, including itemization when required;
2. Compliance with applicable filing deadlines;
3. Compliance with restrictions on contributions, loans and expenditures;
4. Accuracy of total reported receipts, disbursements and cash balances as compared to bank records; and
5. Compliance with all record-keeping requirements.

### V. Conclusion

Through the examination of the Committee's records and campaign disclosure statements, the Auditor verified that the Committee timely disclosed all contributions received and all expenditures made, and that the Committee maintained the necessary documentation regarding contributions and expenditures. **As a result, the Auditor determined that there were no material findings. The Committee substantially complied with the disclosure and record-keeping provisions of the San Diego Election Campaign Control Ordinance.**

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Rosalba Gomez  
Ethics Commission Auditor

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Date

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Lauri Davis  
Ethics Commission Senior Investigator

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Date